Assembly Bill No. 1739

	Chief Clerk of the Assembly
ssed the S	Senate July 2, 2012
	Secretary of the Senate
This bill	was received by the Governor this da

CHAPTER _____

An act to amend Section 1047 of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

AB 1739, Allen. Morale, Welfare, and Recreation Fund: Veterans' Home Allied Council: operation of facilities and activities.

Existing law establishes a Veterans' Home Allied Council for each home pursuant to the constitution of the Allied Council, Veterans' Home of California, comprised of members of the home, as an advisory body to the administrator of the home. Existing law requires the administrator to maintain a Morale, Welfare, and Recreation Fund that shall be used to provide certain operations and activities relating to the general welfare of the veterans.

This bill would authorize the administrator to enter into an agreement with an allied council that authorizes that council to operate facilities and activities described above. The bill would require the agreement to be in the form and manner as specified by the administrator.

The people of the State of California do enact as follows:

SECTION 1. Section 1047 of the Military and Veterans Code is amended to read:

1047. (a) The administrator shall maintain a Morale, Welfare, and Recreation Fund that shall be used, at the discretion of the administrator and subject to the approval of the secretary, to provide for the general welfare of the veterans, including, but not limited to, providing for operations of the Veterans' Home Exchange, hobby shop, motion picture theater, library, band, and any other function that is operated for the morale, welfare, and recreation of the veterans, and to pay for newspapers, chapel expenses, welfare and entertainment expenses, sport activities, celebrations, and any other activity that is for the morale, welfare, and recreation of the veterans.

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- (b) Money in the Morale, Welfare, and Recreation Fund may not be expended for any of the following:
 - (1) Medical treatments or any other related treatment.
 - (2) Maintenance of the physical plant of the home.
- (3) Any function, operation, or activity that is not directly related to the morale, welfare, or recreation of the veterans.
- (c) Appropriations from the General Fund for the purposes described in paragraph (3) of subdivision (b) may not be reduced for the purpose of, or to have the effect of, requiring increased expenditures from the Morale, Welfare, and Recreation Fund for those described purposes.
- (d) The administrator shall prepare an itemized report that is organized by category and accounts for all expenditures made from the Morale, Welfare, and Recreation Fund during the previous fiscal year and shall submit the report on or before August 20 of each year to all of the following:
 - (1) The secretary.
 - (2) The fiscal committees of the Assembly and the Senate.
- (3) The committees of the Assembly and the Senate that have subject matter jurisdiction over veterans' affairs.
 - (4) The Veterans' Home Allied Council.
- (e) The Morale, Welfare, and Recreation Fund for the Veterans' Home of California, Yountville, shall maintain a reserve in the amount of two million dollars (\$2,000,000). The reserve shall be invested in securities, upon the advice of the Morale, Welfare, and Recreation Fund Advisory Committee and with the approval of the administrator and the secretary.
- (f) The administrator may enter into an agreement with an allied council that authorizes that council to operate facilities and activities authorized pursuant to this section. The agreement shall be in the form and manner as specified by the administrator.

Approved	, 2012
	Governor